

IDAHO INDIVIDUAL NET OPERATING LOSS COMPUTATION

Name		Social Security Number	
PART I - Use this part to compute your net operating loss. Loss Year _____			
1. Total Idaho adjusted income (loss) reported on the loss year return	1		
2. Idaho net operating loss carryover	2		
3. Capital losses in excess of capital gains	3		
4. Idaho capital gain deduction	4		
5. Add lines 2, 3 and 4.	5		
6. Add lines 1 and 5.	6		
7. Casualty losses reported on federal Schedule A, Itemized Deductions	7		
8. Net operating loss deduction. Subtract line 7 from line 6.	8		
9. Net operating loss carryback. Enter the amount from line 8 but not more than \$100,000. If you elected to forego the carryback, enter -0- here and on line 10.	9		
10. Enter the amount from line 7b, column c, Part II. This is the net operating loss carryback not absorbed in the carryback years.	10		
11. Net operating loss carryover. Line 8, less line 9, plus line 10. Enter this amount on line 1, column a, Part III.	11		

INSTRUCTIONS FOR PART I

Use Part I to compute your net operating loss. Enter the loss year on the line.

Line 1. Enter Idaho adjusted income (loss).

- Form 40 filers: line 29 - 1998, 1999
line 30 - 2000
line 12 - 2001
- Form 43 filers: line 44, Column B - 1997, 1998, 1999
line 45, Column B - 2000
line 34, Column B - 2001

Line 2. Enter any operating loss carryover from prior years if included in the amount on line 1.

Line 3. Enter any capital losses in excess of capital gains included in the amount on line 1. For example, a taxpayer reported a \$4,000 capital gain and a \$5,000 capital loss on federal Schedule D. \$1,000 is the amount of capital loss deduction included in Idaho adjusted income (loss).

Line 4. Enter any Idaho capital gain deduction allowed in computing Idaho adjusted income (loss).

Line 5. Add lines 2, 3 and 4 and enter the total on this line.

Line 6. Add lines 1 and 5. A loss on line 1 will be reduced by the amount on line 5. For example, a taxpayer's Idaho adjusted income (loss) is (\$10,000). The taxpayer claimed an Idaho capital gain deduction of \$1,500 (\$1,500 is entered on lines 4 and 5). The taxpayer enters (\$8,500) on line 6.

A loss on line 1 could be eliminated by an amount on line 5. For example, a taxpayer's Idaho adjusted income (loss) is (\$10,000). The taxpayer claimed an Idaho net operating loss carryover of

\$20,000 (\$20,000 is entered on lines 2 and 5). The taxpayer enters \$10,000 on line 6. When the total of lines 1 and 5 on line 6 is a positive amount, no net operating loss exists unless the casualty loss on line 7 creates the loss.

Line 7. Enter any casualty losses reported on federal Schedule A, Itemized Deductions, provided that the property is physically located in Idaho at the time of the casualty. Use federal Form 4684, Section A, to compute the casualty loss(es) deductible on Schedule A.

Form 43 filers will multiply the Idaho percentage from the loss year return by the amount of casualty loss reported on the federal Schedule A for that year to determine the amount to enter on this line. Enter the amount.

Line 8. Idaho net operating loss deduction. Subtract line 7 from line 6. A loss on line 6 will be increased by an amount on line 7. For example, a taxpayer's Idaho adjusted income (loss) is (\$10,000) and he also reports a \$1,500 casualty loss on Schedule A. His net operating loss deduction is (\$11,500). This is the net operating loss deduction that is available for carryback or carryover. Use Part II to determine carryback applications and Part III to determine carryover applications.

Line 9. This is the net operating loss to enter on line 1, Part II. If the loss was for tax years prior to January 1, 2000, enter this amount in column a. If the loss was for tax years on or after January 1, 2000, enter this amount in column b. Do not enter more than \$100,000. Complete Part II before entering any amounts on lines 10 and 11.

Line 10. If the net operating loss carryback is not completely absorbed, enter the unabsorbed amount.

Line 11. If you elect to forego the net operating loss carryback, enter the amount from line 8.

APPLICATION OF IDAHO INDIVIDUAL NET OPERATING LOSSES

Name _____	Social Security Number _____
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PART II - CARRYBACK Use this part to apply the net operating loss to carryback year(s). Loss Year _____

Complete one column before going to the next column.	a. 3rd preceding tax year ended _____	b. 2nd preceding tax year ended _____	c. 1st preceding tax year ended _____
1. Net operating loss carryback. In column a, enter as a positive number the net operating loss from Part I, line 9. In columns b and c, enter amounts from line 7 below, columns a and b respectively			
2. Idaho adjusted income from the tax return (or as previously adjusted) before NOL carryback. If a loss, enter the amount as a negative number			
3. Net capital loss deduction claimed on the carryback year return. See federal Schedule D. Enter as a positive number.			
4. Idaho capital gain deduction claimed on the carryback year return. Enter as a positive number. See Idaho Form CG			
5. Casualty loss reported on Schedule A, Itemized Deductions, and claimed on the carryback year return. Enter as a positive number			
6. Modified Idaho adjusted income. Add lines 2, 3, and 4 and subtract line 5. If the total on this line is zero or less, enter -0-			
7. Net operating loss available for application to another year: a. If line 6 is equal to or more than line 1, your net operating loss has been absorbed. Enter zero here. b. If line 6 is less than line 1, your net operating loss has not been absorbed. Subtract line 6 from line 1 and enter the difference here. Also, enter the amounts from columns a and b on line 1 of the next column. Enter the amount from column c on line 10, Part I.			

PART III - CARRYOVER Use this part to apply the net operating loss to carryover year(s). Loss Year _____

Complete one column before going to the next column	a. 1st succeeding tax year ended _____	b. 2nd succeeding tax year ended _____	c. 3rd succeeding tax year ended _____
1. Net operating loss carryover. In column a, enter as a positive number the net operating loss from Part I, line 11. In columns b and c, enter amounts from line 7 below, columns a and b respectively			
2. Idaho adjusted income from the tax return before the NOL carryover. If a loss, enter the amount as a negative number.			
3. Net capital loss deduction claimed on the carryover year return. See federal Schedule D. Enter as a positive number.			
4. Idaho capital gain deduction claimed on the carryover year return. Enter as a positive number. See Idaho Form CG			
5. Casualty loss reported on Schedule A, Itemized Deductions, and claimed on the carryover year return. Enter as a positive number			
6. Modified Idaho adjusted income. Add lines 2, 3, and 4 and subtract line 5. If the total on this line is zero or less, enter -0-			
7. Net operating loss available to apply to another year: a. If line 6 is equal to or more than line 1, your net operating loss has been absorbed. Enter zero here. b. If line 6 is less than line 1, your net operating loss has not been absorbed. Subtract line 6 from line 1 and enter the difference here. Also, enter this amount on line 1 of the next column and apply the loss to the next available year.			